

Exhibit 12

FAX TRANSMITTAL (808) 541-2641

MEMORANDUM FOR THE RECORD

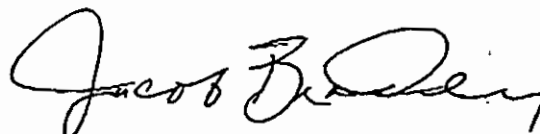
From: Labor Advisor

To: Cynthia Shigemasa, Complaints Investigator

Date: 23 July 2003

Subj: COMPLAINT OF MILTON K. KAOPUA, DON NO: 03-62813-001.

According to Ms. Patti DeVita, Employee Relations Specialist, FECA/Injury Compensation Branch, Human Resources Office, she has a copy of an OWCP letter in Mr. Kaopua's file, dated 3 Apr 02, which OWCP mailed directly to Mr. Kaopua explaining to him that he was not entitled to Continuation of Pay (COP) due to the claim being an occupational disease vice a traumatic injury. Ms. DeVita conveyed to me that, even if Mr. Kaopua's CA-1 was filed sooner, OWCP would have converted his claim to an occupational disease and he would not have been entitled to COP. Even if he did receive COP initially, by OWCP's determination, he would have had to pay the COP back. Although Mr. Kaopua's CA-1 claim was controverted by the agency because Mr. Kaopua did not file his claim within 30 days (one of the nine reasons for controversion), the determination OWCP made that Mr. Kaopua was not entitled to COP was on the basis that his claim was not traumatic but an occupational disease.



JACOB BRADLEY
Agency Representative

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